



Draft Articles of Agreement

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY

Pre-Disaster Mitigation Competitive Grant Agreement Articles

CFDA #: 83.557

GRANTEE: _____

AGREEMENT NUMBER: _____

AMENDMENT NUMBER: _____

DESIGNATED AGENCY: _____

PERFORMANCE PERIOD: _____

ARTICLE I. FEMA AUTHORITY

The United States of America through the Federal Emergency Management Agency (FEMA) which is now incorporated into the Department of Homeland Security, (hereinafter referred to as "the Grantor") agrees to grant to the State/**Tribal/Territorial** Government, through its designated agency named above (hereinafter referred to as "the Grantee") funds in the amount specified on the obligating document, to support the Pre-Disaster Mitigation Grant Program authorized under the §203 Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § §5121-5206 (Stafford Act), as amended by § 102 of the Disaster Mitigation Act of 2000 (DMA) and activated in the under this Grant Award. The Grantee agrees to abide by the Grant Award terms and conditions as set forth in this document.

ARTICLE II. PROJECT DESCRIPTION

The Grantee shall perform the work described in the Program Narrative Statement, which was included as part of the application package and made a part of these Grant Agreement Articles.

ARTICLE III. PERIOD OF PERFORMANCE

The initial performance period for the Grantee shall be equal to the longest performance period of the sub-grantee awards with a maximum of 2 years for planning sub-grants and 3 years for project sub-grants. For



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planning sub-grants, a draft plan must be submitted for review by FEMA within 18 months, and final plans must be submitted to FEMA within 2 years. For mitigation project sub-grants, a design must be completed and a contract must be awarded within 12 months so that work can be completed during the performance period. The period of performance shall be [insert award date] through [insert end date]. All costs must be incurred during the period of performance **unless pre-award costs are approved.**

ARTICLE IV. AMOUNT AWARDED

This Grant Agreement is for the administration and completion of an approved Pre-Disaster Mitigation grant award for fiscal year 2003. Grant Agreement funds may not be used for other purposes. If costs exceed the maximum amount of FEMA funding approved, the Grantee shall pay the costs in excess of the approved budget.

The approved budget for this award by category is:

	FEMA	NON-FEDERAL	TOTAL
Personnel	_____	_____	_____
Fringe Benefit	_____	_____	_____
Travel	_____	_____	_____
Equipment	_____	_____	_____
Supplies	_____	_____	_____
Contractual	_____	_____	_____
Construction	_____	_____	_____
Other	_____	_____	_____
TOTAL DIRECT	_____	_____	_____
Indirect Charges	_____	_____	_____
TOTAL BUDGET	_____	_____	_____

The Grantee shall follow 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Office of Management and Budget Circulars A-102 and A-87, and program guidance to implement this Grant Award.

ARTICLE V. COST SHARE

The cost-share requirement for this award is 75 % Federal and 25 % non-Federal. Small, impoverished communities may receive a Federal cost share of up to 90 % of the total cost to implement eligible PDM activities.

- a. The approved budget is for State and/or non-small, impoverished communities: Federal funds of \$ _____ (75%) and non-Federal funds of \$ _____ (25%) for a total approved amount of \$ _____.



- b. The following communities have been approved for cost share less than the required 25 % non-Federal based on small, impoverished community eligibility:

Sub-Grantee	Federal funds	%	non-Federal funds	%	Total approved amount
_____	\$ _____	____%)	\$ _____	____%	\$ _____
_____	\$ _____	____%)	\$ _____	____%	\$ _____
_____	\$ _____	____%)	\$ _____	____%	\$ _____

- c. The total approved budget is Federal funds of \$ _____ and non-Federal funds of \$ _____ for a total approved amount of \$ _____, which includes the combination of a. and b. above.

ARTICLE VI. FEMA OFFICIALS

FEMA official are as follows:

- a. The Project Officer (PO) shall be an official at the FEMA Regional Office who will be responsible for the program and technical monitoring of the work and technical performance of the activities described in the Program Narrative Statement of the application.

The Project Officer is: _____

- b. The Assistance Officer is the FEMA official who has full authority to negotiate, administer and execute all business matters of the Grant Award or Cooperative Agreement.

The Assistance Officer is: _____

ARTICLE VII. The specific terms and conditions of this agreement are as follows:

1. **ASSURANCE COMPLIANCE:** The certifications signed by the Grantee in the application relating to maintenance of a Drug-Free workplace (44 CFR Part 17, Subpart F) and New Restrictions on Lobbying (44 CFR Part 18) apply to this grant agreement and are incorporated by reference.
2. **BUDGET REVISIONS:**



- a. The Grantee shall follow prior approval requirements for Budget Revisions found in the Emergency Management and Assistance Regulations, 44CFR Part 13.30. Transfer of funds between total direct cost categories in the approved budget shall receive the prior approval of FEMA when such cumulative transfers among those direct cost categories exceed ten percent of the total budget.
 - b. If a Grantee estimates that it will have obligated funds remaining after the end of the performance period, the Grantee must report this to the FEMA Regional Office at the earliest possible time and ask for disposition instructions.
3. **CLOSE OUT:**
 - a. **Reports Submission:** Per 44 CFR § 13.50, when the appropriate grant award performance period expires, the Grantee shall submit the following documents within 90 days: (1) a final Financial Status Report (SF269 or FF 20-10), (2) final program performance report, (3) an inventory of equipment purchased under each grant's funds, (5) an inventory of Federally-owned property, (6) other required documents specified by program regulation.
 - b. **Report Acceptance:** FEMA shall review the Grantee reports, perform the necessary financial reconciliation, negotiate necessary adjustments between the Grantee and FEMA's records, and close out the grant in writing.
 - c. **Record Retention:** Records shall be retained for 3 years (except in certain rare circumstances described in 44 CFR § 13.42) from the date the final financial status report is submitted to FEMA in compliance with 44 CFR § 13.42.
4. **CONSTRUCTION PROJECT REQUIREMENTS:** Prior to the start of any construction activity, the Grantee shall ensure that all applicable Federal, State, and local permits and clearances are obtained including FEMA compliance with National Environmental Policy Act, the National Historic Preservation Act, the Endangered Species Act, and all other environmental laws and executive orders.
5. **COPYRIGHT:** The Grantee is free to copyright any original work developed in the course of or under the agreement. FEMA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use the work for Government purposes. Any publication resulting from work performed under this agreement shall include an acknowledgement of FEMA financial support and a statement by the FEMA Grant Number and that the publication does not constitute an endorsement by FEMA or reflects FEMA views.
6. **COST SHARE:** The Grantee shall follow cost-sharing requirements mandated by program statute or regulation and in compliance with 44 CFR § 13.24. Cost-share funding shall be available with



the approval of each grant. Performance Period/Completion extensions shall not be approved for delays caused by lack of cost-share funding.

7. **ENFORCEMENT:** FEMA enforcement remedies shall be processed as specified under 44 CFR 13.43 Enforcement when the Terms and Conditions of this Grant Award are not met.
8. **EQUIPMENT/SUPPLIES:** The Grantee must comply with the regulations listed under 44 CFR 13.32 Equipment, 13.33 Supplies, and 13.36 Procurement, and must be in compliance with State law and procedures.
9. **FUNDS TRANSFER:** No transfer of funds to agencies other than those identified in the approved grant agreement shall be made without prior approval of FEMA.
10. **HOSPITAL COST PRINCIPLES:** OMB Circular A-87 and program regulations shall be used to determine costs for non-profit hospitals funded under FEMA grants.
11. **INSURANCE:** In compliance with Public Law 103-325, Title V National Flood Insurance Reform Act of 1973, section 582 requires that any Federal assistance provided to a person for the repair, replacement, or restoration for damage to any personal, residential or commercial property at any time must maintain flood insurance if the property is located in a Special Flood Hazard Area.
12. **PAYMENT:**
 - a. Grantee shall be paid using the HHS Payment Management System-SMARTLINK, provided Grantee maintains and complies with procedures for minimizing the time between transfer of funds from the US Treasury and disbursement by the Grantee and Subgrantees. The Grantee commits itself to: 1) initiating cash draw downs only when actually needed for its disbursement; 2) timely financial reporting per FEMA requirements, using the SF269 or equivalent report; and 3) imposing the same standards of timing and amount upon any secondary recipient.
 - b. Sub-grantee must comply with the same payment requirement as the Grantee that are listed under Article VII 12.a. and must comply with the requirements specified under the Grantee's Sub-grant award agreements.
13. **PERFORMANCE PERIODS:**
 - a. **Program/Project/Sub-grant Approval and or Awards:**



- (1) All grant awards activities, including all projects and/or activities approved under each sub-grant award, shall be completed within the time period prescribed and authorized on the obligating documents.
- (2) All costs must be incurred within the approved performance period **or be approved pre-award costs.**

- b. **Extensions.** Requests for time extensions to the Performance Period will be considered but will not be granted automatically and must be supported by adequate justification submitted to the Regional Office in order to be processed. This justification is a written explanation of the reason or reasons for the delay; an outline of remaining funds available to support the extended Performance Period; and a description of performance measures necessary to complete the activity. Without justification, extensions requests will not be processed. Work must be in progress on the approved scope of work during the original performance period in order to qualify for an extension.

14. **RECOVERY OF FUNDS:**

- a. The Grantee will process the recovery of assistance paid to sub-grantees processed through error, misrepresentation, or fraud or if funds are spent inappropriately. Recovered funds shall be submitted to FEMA as soon as the funds are collected, but no later than 90 days from the expiration date of the appropriate grant award agreement.
- b. All fraud identifications will be reported to the FEMA Inspector General office. The Grantee agrees to cooperate with investigation conducted by the FEMA Inspector General's office.

15. **REFUND, REBATE, CREDITS:** The Grantee shall transfer to FEMA the appropriate share, based on the Federal support percentage, of any refund, rebate, credit or other amounts arising from the performance of this agreement, along with accrued interest, if any. The Grantee shall take necessary action to effect prompt collection of all monies due or which may become due and to cooperate with FEMA in any claim or suit in connection with amounts due.

16. **REPORTS:**

- a. **Federal Cash Transaction Report:** If the Grantee uses the Federal Health and Human Services (HHS) Payment Management System - SMARTLINK, the Grantee shall submit a copy of the PMS 272 Cash Transaction Report submitted to HHS to FEMA.
- b. **Financial Status Report:** The Grantee shall submit Financial Status Reports, Standard Form 269 or Federal Form 20-10 to the FEMA Regional Office 30 days after the end of the first Federal quarter following the initial grant award. The Regional Director may waive this initial



report. The Grantee shall submit quarterly financial status reports thereafter until the grant ends. Reports are due on January 30, April 30, July 30, and October 30.

c. **Performance Report:**

(1) The Grantee shall submit performance reports (no required format) to the FEMA Regional Office within 30 days after end of each quarter. The report shall consist of a comparison of actual accomplishment to the approved activity objectives. Reports are due January 30, April 30, July 30, and October 30. Final financial reports are due 90 days after the close of the grant. Performance Reports should be submitted to the Assistance Officer, listed under Article VI, FEMA Officials.

(2) Quarterly performance report shall report the name, completion status, expenditure, and payment-to-date of each approved activity/sub-grant award under the Grant Award.

d. **Final Reports:** The Grantee shall submit a Final Financial Status Report and Performance Report 90 days from each program's grant award performance period expiration date.

e. **Enforcement:** The Regional Director may suspend drawdowns from the HHS/Payment Management System-SMARTLINK if quarterly reports are not submitted on a time.

17. **TERMINATION:** The Grantee, Sub-grantee, or FEMA may terminate grant award agreements by giving written notice to the other party at least seven (7) calendar days prior to the effective date of the termination. All notices are to be transmitted via registered or certified mail, return receipt requested. The Grantee's authority to incur new costs will be terminated upon arrival of the date of receipt of the letter or the date set forth in the notice. Any costs incurred up to the earlier of the date of the receipt of the notice or the date of termination set forth in the notice will be negotiated for final payment. Close out of the grant award will be commenced and processed as prescribed under Article VII. 3.

ARTICLE VIII. APPLICABLE FEDERAL STATUTES/REGULATIONS

The Grantee agrees to comply with all applicable laws and regulations. The following laws, regulations, and OMB circulars govern standard grant management practices and are incorporated into this Agreement by reference.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5206 (Stafford Act).

Title 44 of the Code of Federal Regulations (CFR)



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OMB Circular A-110 Uniform Administrative Requirements for Grants and Agreements with institutions of Higher Education, Hospitals, and Other Non-Profit Organizations

OMB Circular A-102 Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments

OMB Circular A-87 Cost Principles for State and Local Governments

OMB Circular A-21 Cost Principles for Educational Institutions

OMB Circular A-122 Cost Principles for Nonprofit Organizations

OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations

31 CFR 205.6 Funding techniques

ASSURANCES submitted with the SF 424, Application for Federal Assistance

APPLICATION Grant Award/Cooperative Agreement application received and approved by FEMA on _____ with revisions received on _____.